## CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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SECRET 25X1. 25X1 COUNTRY Rumania REPORT NO. SUBJECT Soviet Withdrawal Rumors from the DATE DISTR. 21 July 1953 Satellites 25X1 NO. OF PAGES DATE OF INFO. 25X1 REQUIREMENT NO. PLACE ACQUIRED REFERENCES IATIONS IN THIS REPORT ARE DEFINITIVE. ISAL OF CONTENT IS TENTATIVE. (FOR KEY SEE REVERSE)

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- 1. Diplomatic circles in Bucharest have developed a number of theories concerning possible Soviet withdrawals from the satellite nations, with the following element common to all theories:
  - The USSR has decided to appease the West for reasons of its own which are not known, just as it is not known whether appeasement is to be a short-term or a long-term policy. This appeasement may require certain sacrifices to be made by the USSR, which may be very far-reaching. If necessary, the Soviets may even be willing to reduce the area in Eastern Europe under their direct control, if this is made a condition for relaxing East-West tension. If the West is not satisfied with a settlement in Asia, the Soviets would be willing to make further concessions in this order:
    - (1). Evacuation of Austria
    - (2). The unification of Germany, provided it is completely neutralized.
  - Finally, if the United States persists in the plan to "liberate the satellites", and makes this a part of the major policy with respect to the Soviet Union, the latter may even agree to
    - (1). Evacuation of Poland or Czechoslovakia, or both, and possibly even of Hungary, since these are the satellite countries for which there is the most sentiment in the United States.
    - The Soviet Union would continue to control the Southeastern part of Europe which became its sphere of influence by terms of the Yalta agreement: Rumania and Bulgaria (and probably Hungary). It might simply annex Rumania and Bulgaria.

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- c. This does not mean that such concessions have already been decided upon, but that they are being kept in mind as possible developments. The easing of conditions and general relaxation of totalitarian powers in the northern satellites is interpreted as possible preparation for a period when the Communist Party in each country may no longer rule by decree, but must seek mass support in order to secure its existence.
- 2. This theory, extravagant at first sight, is somewhat supported by the conspicuous and parallel changes towards general liberalization of rule in Eastern Germany, Poland, Czechoslovakia, and Hungary, while there have been no similar changes in Rumania and Bulgaria. This could also explain the recent dissolution of minority committees in Rumania, for it would plainly not be desirable to have an organized German Committee once Germany itself had passed out of Soviet control. It would, at the same time, explain renewed pressure for collectivization in Rumania, whose economy must be brought as quickly as possible to the Soviet pattern. The annexation might also serve to save face for the Soviet Union both at home and with Communist Parties abroad at a time when major concessions have to be made to the West.

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